

TO: Senator Mike Shirkey, Chairman
Senate Health Policy Committee Members

FROM: Chris Mitchell
Senior Vice President, Advocacy

DATE: December 6, 2016

RE: House Bill 5877 - Pyxis Machine Licensing Error Fix

MHA Position: SUPPORT

The Michigan Health & Hospital Association (MHA) supports House Bill (HB) 5877 sponsored by Representative Daniela Garcia (R-Holland) which would modernize the statute and establish a definition of an automated device.

In June 2016, the Department of Licensing and Regulatory Affairs (LARA) contacted the Michigan Health & Hospital Association (MHA) to discuss a series of controlled substance additional facility licenses that had been issued in error for several years. LARA was made aware of this error by the United States Drug Enforcement Administration (DEA). HB 5877 is intended to allow a hospital to operate an automated device at a location affiliated with the hospital but not at the same physical address as the pharmacy.

When the Public Health Code was written, automated devices that dispense medication for inpatient use, sometimes known as Pyxis machines, did not exist. These machines help track and dispense medications safely and securely in healthcare settings, which can save time and money while increasing the quality of patient care.¹ Pyxis machines are not for public use; they can only be accessed by a licensed healthcare professional.

Under current rules, automated devices can only be operated legally by a hospital if there is a licensed pharmacy at the same address. In the absence of a licensed pharmacy, a machine may be legally operated at a hospital, or satellite location, under the control of a licensed prescriber i.e., a physician.

HB 5877 will modernize the statute and establish a definition of an automated device. While the bill maintains physician oversight of an automated device, it will also allow a hospital's pharmacist in charge (as defined in Sec. 17748) to assume control of Pyxis machines at hospital-affiliated locations. This aligns with current practice and also corrects the licensing issues flagged by the DEA.

¹ <http://media.carefusion.com/index.php?s=32344&item=106594>